



**An International Center for Soil Fertility and Agricultural
Development**



Kyrgyz Agro-Input Enterprise Development Project

**323 Lenin Street, 2nd Floor
Osh, 714000
Kyrgyz Republic**

**Tel/fax: (996) (3222) 553 94
e-mail ifdcosh@ktnet.kg**

Thirteenth Quarterly Report

October 1, 2004 through December 31, 2004

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Prepared for

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by

IFDC

***An International Center for Soil Fertility
and Agricultural Development***

**P.O. Box 2040
Muscle Shoals, Alabama 35662, U.S.A.**

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Acronym List

AAK-JA	Association of Agro-Businessmen of Kyrgyzstan “Jer Azigy” (Food for Soil)
AED	Academy for Educational Development
AS	Agronomic Services – a support unit within KAED project
BDU	Business Development Unit
CAR	Central Asia Region
CGF	Credit Guarantee Fund
CIMMYT	International Maize and Wheat Improvement Center
CPP	Crop Protection Products – includes both chemical and biological
FVAI	Ferghana Valley Agribusiness Initiative
GAA	German Agro Action
GTZ	German Agency for Technical Cooperation
IFDC	An International Center for Soil Fertility and Agricultural Development
IPM	Integrated pest management
IR	Intermediate Results Indicator
KAED	Kyrgyz Agro-Input Enterprise Development Project
KAFC	Kyrgyzstan Agricultural Finance Corporation
KGS	Kyrgyz som (unit of currency)
MAWPRI	Ministry of Agriculture, Water, and Processing Industry
MOF	Ministry of Finance
MOU	Memorandum of Understanding
MS	Media Services – a support unit within the KAED project
NUKOK	Nookat Cooperatives Union of Potato Growers
OAI	Osh Agribusiness Initiative
PSES	Private Sector Extension Services
RAS	Rural Advisory Services (Public Extension supported by WB)
SSI	Support to Seed Industry (Takis)
STC	Short Term Consultant
TACIS	Technical Assistance to Commonwealth of Independent States
TARF	Training Activity Request Funds
TES	Technical Extension Service Project (German donor sponsored)
TTC	Technology Transfer Center – a field center featuring new practices and technologies to provide training to agro-businesses
USAID	United States Agency for International Development
VAT	Value Added Tax
WB	World Bank

Kyrgyz Agro-Input Enterprise Development Project
Quarterly Report — October 1, 2004 through December 31, 2004

Introduction

For consistency and ease of understanding, the Kyrgyz Agro-Input Enterprise Development Project (KAED) quarterly reports largely follow the format of the work plan submitted to the United States Agency for International Development (USAID) in October 2004. Progress is reported for each of the four program areas (association development, business development services, media support, and agronomic services). Monthly and weekly reports to the USAID project manager contain more extensive and detailed information on KAED activities and progress.

Management and Operations

During the quarter, the project focused on preparation and operation of the AAK AgroExpo which took place during the first week of December. After the Exposition, the focus was shifted to the project's annual association and farmers surveys.

COP Meetings— During the quarter the COP met with the following people and organizations:

JICA: During the quarter, the Chief of Party conducted several meetings with Japanese consulting teams and JICA employees to discuss future agricultural projects. An agreement was made that the KAED project would work in conjunction with the TES Center in supporting JICA-funded cotton pilot demonstration farms in Jalalabad and Osh Oblasts during the 2005 season to demonstrate increased yields using best management practices.

Additional meetings were held with JICA representatives and the Resident Representative for JICA Kyrgyzstan, Mr. Nakano Satoshi to discuss future 2KR programs in Kyrgyzstan (*2KR stands for the Second Kennedy Round, a JICA program that provides Government to Government grant funds. In Kyrgyzstan, these funds have usually been used by the Kyrgyz Government to loan agricultural machinery to farmers and seed farms*). During the initial meeting, the COP provided an explanation on how IFDC in Albania assisted in developing

an auction based system that was transparent and allowed the private sector to participate in selecting what machinery and products are needed in the market.

Ferghana Valley Agribusiness Initiative: The COP attended the Quarterly FVAI meeting in Almaty to discuss future collaboration and get an update on the new agricultural project – AgFin+. During the meeting the COP learned that the EDP-Osh project had developed a pilot credit system for inputs during the previous production season. The COP of the AgFin+ project will be taking over this activity and expressed an interest in working with the KAED project's supported trade association of input dealers. On the following day the COP conducted meetings with Kazakhstan agricultural companies to inform them about the AAK AgroExpo and encourage them to exhibit. From these meetings, two companies (AGS Technology and Agro Plus Commerce) confirmed their attendance.

AgFin+: During November, the COP met with Martin West (AgFin+ COP), Dave Besch, Zachary Shelton (USAID), and Itil Asmon (Pragma) to discuss FVAI cooperation with this new USAID agricultural project. KAED and AAK will work with TES Center and AgFin+ to source needed inputs for a tomato initiative in Osh. In addition, IFDC is expected to have additional activities in the Ferghana Valley portions of Tajikistan and Uzbekistan under AgFin+.

During the AgroExpo a meeting was held for international seed representatives where they were informed of an upcoming tender for high-quality tomato seed to support approximately 1,000 farmers. The tender was announced in the last part of December with a submission deadline of January 14th.

World Bank Agribusiness & Marketing (ABMP) Project: The COP met with Ed Cook and Marc Sadler with the World Bank ABMP design team. The ABMP project will have an oversight committee chaired by the Minister of Economy with representation from the Ministries of Agriculture and Finance as well as 4 representatives from the private sector. The COP agreed to have the AAK Executive Director be one of the 4 private sector representatives. The project's expected start-up date is April of 2005.

Sida (Seed Support Project): The COP continued collaboration with the Swedish funded Seed Support Project to hold a Central Asian Seed Congress during AAK's AgroExpo. A TARF was submitted and approved by USAID and AED to send delegates from Uzbekistan, Kazakhstan, Tajikistan, and Kyrgyzstan.

The Congress was held on the 3rd and 4th of December with over fifty people in attendance from Uzbekistan, Tajikistan, Kyrgyzstan, and Kazakhstan along with speakers from

Sweden and France. Delegates mentioned that this was the first time that seed specialists have been able to meet, communicate, and cooperate in a regional setting since Soviet Union times. The delegates expressed their desire to make this an annual event and all delegates stated that they were either “satisfied” or “very satisfied” with the results and the activities that took place during the two days.

TEMPUS: The Rectors from the Osh Agricultural College and the Kyrgyz Agrarian University (Bishkek) traveled to Greece (through funding from AED) to attend a TEMPUS introduction session and to develop a road map for future collaborative work between AAK, IFDC’s KAED project, along with two European and two Kyrgyz educational institutions.

Asian Development Bank: The COP met with Peter Goodman of the Asian Development Bank to discuss a proposal for IFDC to expand their activities in Northern Kyrgyzstan. The Minister of Agriculture sent a letter to the Minister of Finance in support of this expansion. In addition, Dave Besch from USAID Almaty sent a letter to John Whittle at ADB recommending IFDC’s project expansion into northern Kyrgyzstan. IFDC is still awaiting news on the proposal.

Bayer CropScience: Michael Rjasnowski, the Bayer representative for Central Asia (Based in Turkey) and Galina Tashieva, the Bishkek Representative met with the COP for dinner to discuss future opportunities in the region and ways that Bayer could cooperate with the IFDC project. The COP explained that the opportunities are increasing for international CPP companies as the agriculture sector is rapidly recovering and the 20% VAT has been removed from all CPP products. The COP provided a suggestion for future collaboration in regards to product information; CPP products currently in the market are not sold with important information such as application rates, recommended dosage, or even the active ingredients. Mr. Rjasnowski promised to prepare pamphlets in Russian on their products for our dealers. The COP will follow-up on this early next quarter.

AAK Peace Corps Volunteer: Brian Kiger, AAK’s Peace Corps Volunteer finished his Peace Corps Training and arrived into southern Kyrgyzstan during the second week of December. The COP developed a two week training program for the new staff member prior to taking his post as AAK Advisor for the Jalalabad Oblast. Mr. Kiger will support AAK to enhance and strengthen membership services in the Jalalabad Oblast.

Israeli Ambassador: The COP met with Israeli Ambassador Michael Lotem over dinner to discuss project activities and potential for the region during the Ambassador’s visit to Osh.

U.S. Ambassador Visit: Steven Young, the US Ambassador to Kyrgyzstan traveled to the south for two days of meetings. On his first day of visits, the Ambassador met with Mr. Mavlanov who is the Director of Tameki Seed Farm and an elected member on the AAK Board of Directors. On day 2, the COP met with the Ambassador at the main office of Oshkrastex where he visited their woolen mill and then drove to visit their farm store (Mr. Salahudinov is the General Director and also an AAK Board Member).

Strategic Planning: The COP conducted a staff meeting to develop the calendar of activities for 2005. All major events have been defined and dates have been set for the entire year.

Ministry of Agriculture: The COP traveled to Bishkek and met with Mr. Anarbayev at the Ministry of Agriculture to discuss future activities and to introduce him to Mr. Martin West, the Chief of Party for AgFin+. During the meeting the COP introduced the concept of a new certification program for crop applicators. The idea would be to develop a certified five-day training program for crop protection applicators that is recognized by the Government. Further discussion will take place during the first part of next quarter.

AgroExpo Meetings: The COP held several meetings during the AgroExpo, including: informational session with international vegetable seed representatives to discuss upcoming seed tender; meeting with Sugd AgroServe and AgFin+; discussion with Andijan Greenhouse Grower representatives; discussion with the Byelorussian Ambassador and his assistant on future possibilities in the agricultural machinery sector; discussion with a World Bank consultant on the livestock sector; discussion with the IFC/WB representative on investment opportunities in the region; and meetings with the Ministry of Agriculture staff on seed legislation.

International Investors: Based on a recommendation from the KAED Project's CTO, the COP met with Andrew Chen and Myron Stoltzfuz to discuss their planned purchase of sun dried tomatoes from southern Kyrgyzstan for export to the United States. Initial discussion to support their activities was positive and a follow-up meeting was held in Bishkek with Mr. Doran (USAID), Martin West (AgFin+), and Andrew Chen (Adonai Trading Company).

Short Term Consultants— During the quarter there were no short term consultants working with the project.

Highlights of Program Achievements

The three program components drive nearly all the proposed results indicators. Association Development is the core of the entire project. A trade association of input dealers is the mechanism that provides the framework to facilitate access to credit and deliver communications, training, and advocacy on a sustainable basis. The supporting units of Business Development, Media, and Agronomic Services provide a value-added package that accompanies membership in the trade association and supports the project's goals to increase agricultural productivity.

Association Development

As of December 31st, AAK membership totaled 138 people (22 of these members have partially paid their dues for 2004). Membership has increased during the quarter due to the AgroExpo and publicity surrounding this event. Association activities for the quarter included:

AAK AgroExpo: Please see pages 8 and 9 in the Business Development Section for detailed information on this event.

AAK Policy Position Brochure: The Association Development Unit developed an AAK Policy Position Brochure on various agricultural issues. This pamphlet was distributed to Parliament and Government officials during the AgroExpo.

Andijan Trade Fair: In November, the Assistant Association Development Specialist represented AAK at the Andijan Trade Fair sponsored by the Andijan Plant Growers Association. The *Agribusiness Monthly* Newspaper and information on the AgroExpo were distributed to attendees. Approximately 300 people were in attendance.

AAK Member and Farmer Surveys: All staff was active in conducting surveys of AAK members and farmers in southern Kyrgyzstan for the project's annual analysis. During the first week, 77 AAK members and 66 farmers were interviewed. The enumeration process and analysis will continue during January.

AAK Information Update: The 40 AAK village boards were updated during the month with the following information: 1) Contact information of farm stores, 2) Notice on AAK newspaper subscription, 3) AAK events in the 2nd quarter, and 4) Monthly information on AAK accomplishments – AgroExpo.

AAK MEETINGS

AAK Village Meetings— Nine AAK Village Meetings were conducted during the month of November with over 100 members participating. The village meetings were conducted in the following rayons: Suzak, Bazar-Korgon, Nookan (Jalalabad Oblast); Kadam-Jai, Kyzyl-kya, Nookat (Batken Region); Osh, Aravan, and Uzgen (Osh Oblast). Issues discussed included:

- AAK updates and upcoming events (newspaper, AgroExpo, committee meetings);
- Communication of the strategic plan and BOD decisions resulting from the strategic retreat held in Issyk-Kul during September;
- COCHRAN presentation by participants who attended US training programs;
- Presentation by participants who attended the trade mission to Turkey;

AAK Special Meetings— AAK member meetings were conducted in mid-November for members of Aravan, Kadamjai, Nookat, Uzgen, Karasuu, and Osh regions. During the meetings, members were informed about upcoming events during the AgroExpo and about member participation in these events. 616 green (1 day) tickets and 240 yellow (2 day) tickets were distributed for AAK members to sell to their farmer customers.

AAK Board of Director Meeting— On December 16th the AAK quarterly board of directors meeting was held with all nine members in attendance. The following items were discussed:

- **Report on the International Ferghana Valley AgroExpo – Silk Road 2004**
- **Review of Frequent User Program**
- **Discussion on the Agribusiness Monthly newspaper**
 - Approve an Editor in Chief;
 - Discuss newspaper subscription and distribution;
 - Discuss article and advertisement submission protocol;
- Review the AAK Financial report
- Discuss AAK membership
- Review the 2005 AAK work plan

Business Development Services (BDS)

The BDS Unit is a direct support unit for input dealers, and it addresses general training, marketing assistance, and specific product introduction as well as providing credit facilitation, where possible and feasible for AAK members. During the quarter, BDS staff monitored all loans and agreements involving AAK members. All loans received are current and installments are being paid on a regular basis. In addition to AgroExpo oversight, the following activities were conducted by the Business Development Unit during the quarter:

AAK Member Advertising: Salahudinov Jalaldin, Manager of Oshkrastex Ltd and a newly elected board member has imported a new complex fertilizer product and began an advertisement campaign promoting their products through the local TV channel Pyramid. A TV spot was running everyday during the final week of October. From the first week of November the campaign was also run on OshTV. OshKrustex dramatically increased their advertising and marketing campaigns after attending a study tour to the Netherlands. OshKrustex Ltd. is the largest fertilizer dealer in southern Kyrgyzstan.

Tender Preparation: The GTZ Batken project contacted our office and expressed an interest to purchase 400 to 600 mt of fertilizer through an AAK Tender. A tender was prepared and distributed during the AgroExpo. Five AAK members submitted bids and the winner will be declared in January of 2005.

AAK Finances—Finances of AAK, December 31st 2004

#	Bank and account	Balance
1.	Kairat bank	2,342.52
	Subaccount # 4172001310030	473.25
2.	Demir bank	3,820.10
	Dollar account	102.85
3.	CD Deposit Account #1	24,938.27
4.	CD Deposit Account #2	6,074.07
5.	AAK Guarantee fund in Demir bank	10,063.75
	Total:	51,877.31



Ferghana Valley International Agricultural Expo

Event Set-up: For the last six months, project staff and AAK members have been preparing for the 1st International AgroExpo which was held in Osh. In October and November, contracts were prepared for exhibitors as well as companies involved in event set-up. By November, ninety percent of the exhibit space had been sold with staff following-up with the undecided companies that expressed an interest to attend. The final list of paid companies equaled 56 exhibitors from 10 countries around the world (the space was 100% sold out). Posters, fliers, radio and TV spots were developed and attendee promotion started during the first two weeks of November. The Business Development Unit drafted letters to all VIPs including Governors, Ambassadors, the region's Ministers of Agriculture, Presidents, and Prime Ministers.

A Marketing Committee meeting and AgroExpo planning session was held in Jalalabad on the 12th of November with thirty AAK members in attendance. Project staff attended the Government sponsored "Agricultural days" in Osh (17th of November) and Jalalabad (20th of November) where information was provided on the upcoming Expo. Over 400 people from the agricultural sector were in attendance at these two events.

Volunteer students from the Osh Agricultural College and SIFE were trained on their duties during the AgroExpo, including ticket sales, handing out surveys, and collecting tickets at the entryway. The booths, tables, chairs, drapes, carpets, etc... were put in place two days prior to the event. This equipment will be used for the annual AgroExpo as well as renting to other organizations who are interested in hosting an exposition in the region, thus providing an additional revenue source to AAK.

Event in-Progress: Official AgroExpo transportation bused people in from Naryn, Batken City, Kadam Jai, Jalalabad, Uch Kurgon, (Kyrgyzstan); Khojand (Tajikistan); and Andijan, Ferghana, and Samarkan (Uzbekistan). In addition, numerous attendees arrived via airplanes and personal transportation from surrounding countries.



During the exposition, specialists conducted 8 seminars on the following topics:

1) New products seminar; 2) Animal feed seminar; 3) Greenhouse and drip irrigation; 4) Agro-machinery seminar; 5) Hybrid vegetables seed round table; 6) Appropriate technology in processing; 7) Agricultural cooperatives in the region; and 8) Marketing agro-produce for export. Over 700 people attended the seminars and round tables during the three day event.

Post Event/Results: The AgroExpo was deemed a great success with over 90% of the exhibitors stating that they were planning to return in 2005 (the rest stated that they were undecided and not a single exhibitor mentioned that they would not return). In addition, more than 90% of the exhibitors stated that they would recommend this exposition to other companies. Estimated attendance was right at 3,000... people who paid to get in!

Over 650 new contacts were made by exhibitors; a tender was announced for the purchase of 600 metric tons of fertilizer (AAK/IFDC conducted this on behalf of the GTZ Batken Project); an informational seminar on a future tender for AgFin+'s input tenders for Tajikistan and Kyrgyzstan was a large attraction for international input companies; Two tractor companies have expressed their strong interest in setting up distributorships in southern Kyrgyzstan (a Byelorussian and an Uzbek company); an agreement was made from a local exhibitor to export 10,000 rose plants to the Netherlands next year; a contract was signed between Ein Tal (Israeli Drip Irrigation Company and the Andijan Greenhouse Growers Association); etc...

At the conclusion of the Expo the staff was busy finalizing arrangements such as: preparing press releases, thank you letters (for local and national government officials, exhibitors, and other supporting organizations), and concluding payments with contracted workers. The staff was given three days off after the event with only a skeleton crew working to manage the phones.

In December, the Business Development Unit concentrated on preparing financial reports for the Association and preparing all financial documents related to the Expo (collecting money from ticket sales, collecting unused tickets, preparing invoices, taxes, etc...).



Agronomic Services (AS)

The AS unit is a direct support unit for input dealers and an indirect support unit for AAK's farmer customers. Field demonstrations, publications, and training programs provide knowledge of "best management practices" through Private Sector Extension Services (PSES) and will improve AAK entrepreneurs' understanding of the value-added benefits of information and technology.

Winter Wheat and Canola TTCs: During the quarter, the Agronomic unit finalized the planting and preparation of winter crop fields throughout the three oblasts in preparation for the 2005 season. The rayons where fields were prepared included Suzak, Nookan, and Ulgu village in the Jalalabad oblast and Kara-Suu in the Osh oblast. The Agronomic unit planted 12 varieties of winter wheat and one variety of rapeseed for next year's demonstration fields. The Agronomists also dismantled the drip irrigation system and stored it for the winter.

TTC Reports and educational information: Vegetable, drip irrigation, and cotton demonstration reports were finalized and brochures were developed for AgroExpo attendees. Thus, all demonstration reports from the 2004 harvest have been completed and distributed.

Upcoming Joint Activities: The Agronomic Unit and the COP met with TES Center and AgFin+ staff to discuss activities in support of the Kyrgyzstan Tomato Initiative as well as procuring inputs for the Tajikistan AgFin+ project activities. Discussion was also held with TES Center in regards to preparing for the JICA Cotton Demonstration trials that are projected to take place in 2005 and 2006. The TES Center has stated that they have decided not to follow through on this activity as they are short on manpower and the final project approval by JICA had not been received.

Media Support (MS)

The Media Support Unit is a direct support unit for AAK and an indirect support unit for AAK's member businesses. This unit handles all communication support activities for both the KAED project and AAK on tasks such as public relations, media support, press releases, and newsletter/newspaper development.

The final edition of the AAK monthly newsletter Agribusiness was distributed to AAK members during the month of October. The November and December editions of the new Agribusiness Monthly was prepared and distributed free of charge in order to promote the

newspaper and the AgroExpo. An agreement has been reached with Kyrgyz Courier Service to ship the newspapers from the printing office in Bishkek to Osh free of charge. In return, KCS will receive a free advertisement on the front page of the newspaper.

The first edition of *Agribusiness Monthly* was distributed in Kyrgyzstan, Uzbekistan, and Tajikistan along with copies that were sent to the Ministries of Agriculture in Dushanbe, Almaty, Tashkent, and Bishkek. The second edition of *Agribusiness Monthly* was printed in Bishkek and the majority of this issues were distributed during the AgroExpo. For the first issue, \$550 was collected in advertising and for the December issue more than \$1,000 was collected in advertising, mainly from international companies.

Starting in January, the newspaper will be distributed in southern Kyrgyzstan for a price of 5 com per issue. As there is not a strong distribution mechanism for newspapers in the rural south, AAK is in the process of selecting local shops in the villages (where there is no AAK Farm Store) who are interested in becoming distributors (for every paper sold the seller will receive 1 com). During the last week of December, a subscription plan was developed for the AAK Agribusiness Monthly Newspaper. Thirty four subscribers so far have paid for a subscription.

In order to promote the AgroExpo, the Agribusiness Monthly newspaper was complemented with a strong marketing campaign using posters, television, and radio spots that were aired in the three Ferghana Valley Countries from mid-November through December 3rd.

Cooperation and Leveraged Support

KAED continued to develop, support, and build relationships with other donor programs and international companies operating in the region. Examples of this include:

- ❖ KAED and the SIDA Seed Support Project co-developed a Central Asian Region Seed Congress;
- ❖ AAK has agreed to have the Association's Executive Director sit as a board member with the World Bank's new Agribusiness Project;
- ❖ The KAED Project is working with the USAID funded AgFin+ Project and the TES Center in supporting a tomato growing initiative for southern Kyrgyzstan;
- ❖ The Project is working with JICA to support cotton demonstration farms in the Osh and Jalalabat Oblasts;

- ❖ KAED and GTZ are collaborating in the development of a fertilizer tender to support input dealers in the Batken City region;
- ❖ AAK and the KAED project is collaborating with the Ministry of Agriculture and the Seed Association of Kyrgyzstan to modify and improve the existing seed legislation.

Activities Planned for Next Quarter

Association Development

- Staff training on benefits of a sound seed policy
- Finalize the survey of AAK members and farmers for yearly analysis
- Continue the regular cycle of board, committee, and village level meetings.
- Develop media campaign and image building activities for Jalalabad Oblast
- Research and update the policy matrix addressing new advocacy issues
- Present Seed Policy Proposal to Government and Private Sector Officials

Business Development

- Collect fees for services provided to AAK members
- Monitor loan repayments under the Credit Guarantee Fund
- Assist AAK members who are opening retail shops in product diversity and inventory management
- Track market prices
- Develop a distribution and sales plan for the *Agribusiness Monthly* Newspaper.

Agronomic Services

- Prepare and deliver seed, and fertilizer tenders for the AgFin+ tomato initiative
- Prepare a CPP training and certification program for AAK members
- Prepare agronomic posters for AAK farm stores.
- Develop an open house training program at the Osh Soil Laboratory for AAK members.

KAED Activities by Quarter (October – December 2004)

Year Four Work Plan Objectives	Activities in Support of Objectives and Achievements – 13 th Quarter
I. Association Development	
KAED Staff Development and training in Association Development.	<ul style="list-style-type: none"> Training program on sales and customer relations was delivered to project staff in preparation for the AgroExpo
Identify sources of dues and non-dues revenue and match to expenses of core programs	<ul style="list-style-type: none"> A series of fee-for-services was created totaling 25 categories. The main revenue source for AAK (AgroExpo) has completed year one's activities and preparation for year 2 will start next quarter.
Communicate the reviewed Strategic Action Plan to association members	<ul style="list-style-type: none"> The current Strategic Action Plan was explained to AAK members during the October village meetings.
Annual revenue generation will equal annual expenditures by the end of the project	<ul style="list-style-type: none"> Additional income generating ideas to be incorporated: <ol style="list-style-type: none"> AAK Trade Show to take place in December, 2004 Fee-for-service = % of sales from AAK farm stores Frequent User Program developed and introduced at the AAK General Assembly; Total fees collected in the quarter: \$4,610
Increase membership base and ensure membership dues are collected	Total membership = 138 <ul style="list-style-type: none"> 8 new members have joined in the last quarter 63 members in Category I, 57 Members in Category II, and 22 Members who have not completed the entire 2004 dues payment.
Revenue generation will equal \$5,000 in year one and two	<ul style="list-style-type: none"> AAK fees and dues received for the quarter = \$10,435
A round table or other advocacy forum will be delivered in the south	<ul style="list-style-type: none"> A round table on seed policy was held with Parliament members during the AgroExpo in December;
A position paper recommending improved policies will be prepared during the year	<ul style="list-style-type: none"> The KAED Economist developed a position paper on seed policy with recommendations on simplifying the seed variety registration process; Jim Stanelle, an STC worked with the project economist and met with Government and private sector players in the seed market to develop policy recommendations.
II. Business Development	
Stimulate new investments by AAK members	<ul style="list-style-type: none"> AAK member introduced a new fertilizer commodity in the region during the quarter; Over 20 new international companies were introduced to the region at the AgroExpo; 5 new companies represented in southern Kyrgyzstan through AAK members.
Monitor market availability and prices	<ul style="list-style-type: none"> Information provided on a monthly basis on price and market information in the <i>Agribusiness Monthly</i> Newspaper.
Increase the legal sales of CPP, seed, and fertilizer products	<ul style="list-style-type: none"> Baseline sales will be analyzed during the annual survey of members to be conducted in December and January (this was postponed one month due to AgroExpo activities).
Assist AAK members in Marketing	<ul style="list-style-type: none"> 650 new business linkages/contacts were made during AgroExpo;
Contact international suppliers about setting up distributors	<ul style="list-style-type: none"> Invited international suppliers to the AAK AgroExpo.
III. Agronomic Services	
Selection of locations for at least 3 fall planted TTCs	<ul style="list-style-type: none"> Winter wheat and winter rape seed (canola) fields have been prepared and planted for the 2005 season.
Generate and distribute economic return information by crop/variety	<ul style="list-style-type: none"> An article has been prepared for the January 2005 issue of <i>Agribusiness Monthly</i> providing the results of crop yields from AAK/KAED demonstration fields in 2004. 4 reports have been prepared covering corn, vegetable, crops under drip irrigation, and cotton varieties.
Obtain wheat and maize varieties from CYMMIT	<ul style="list-style-type: none"> 2 new varieties of wheat have been acquired from the CYMMIT Regional Representative.
Deliver winter seminars to AAK members	<ul style="list-style-type: none"> 8 seminars were delivered during the AgroExpo with more than 700 farmers and AAK members in attendance.
Maintain a library of technical publications	<ul style="list-style-type: none"> Two manuals were purchased on recommendations of appropriate application of crop protection products.
Design new publications as needed	<ul style="list-style-type: none"> 5 new booklets and 5 brochures were developed during the quarter; 563 booklets and brochures were distributed during the quarter.

Appendix

Report

on

Cost Sharing and Leverages of KAED -Kyrgyzstan

Inception through December, 2004

Report Prepared By:

IFDC/Kyrgyz Agro-Input Enterprise Development Project

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Note: The background information on computation of cost sharing has been included in prior quarterly and year-end reports. Henceforth, only the summary table will be included. Please contact the IFDC KAED project if there is any need to have this documentation.

Cost Sharing Table Value of Cost Sharing in US \$ 2002 and 2003

No	Activity	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
1	Association meetings/member visits	2,086	1,372	854	1,168	2,790	1,228	1092	10,407	5,010	1,381	272	1,212
2	Field days/advisory meetings					111	575	430	270	81	220	100	
3	Trade missions/study tours			400			900						
4	Seminar attendance/business counseling					100	380		400		329	6,272	270
5	Tenders, Trade Credit or Consignment												10,086
6	Media coverage		135		235		400		200		870	195	110
7	Credit obtained										2,174	2,118	3,260
8	Internships	750	1500	1500	1500	1500	750			7,000*	7,000	7,000	7,000
9	Grant obtained												
10	Domestic investment by entrepreneurs							235	251	1,804			467
11	Membership registration dues and fees for services			10	56	91	39	54	60	0	585	196	192
	Total US \$	2,836	3,007	2,764	2,959	4,592	5,022	1,811	11,588	13,895	12,559	16,153	22,597
	Grand Total US \$	2,836	5,843	8,607	11,566	16,158	20,430	22,241	33,829	47,724	60,283	76,436	99,033

*Intern funded by Government of Netherlands, Mr. Dilshod Abdulhamidov.

No	Activity 2003	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
1	Association meetings/ member visits	3,359	1,500	96	1,449	2,487	115	320	5,961	885	1,602	507	594
2	Field days/advisory meetings					412	376	820		100		138	
3	Trade missions/study tours	18		1,006	2,520	8,000	6,050		36,000				
4	Seminar attendance/ business counseling			2,636			1,836	178	432	672		3147	515
5	Tenders, Trade Credit or Consignment												
6	Media coverage	250	1,250	1,070	3,750	1,517	433	1190	135	950			
7	Credit obtained	6,000	8,000	14,000									
8	Internships	7,000*	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
9	Grant obtained						4,000*						
10	Domestic investment by entrepreneurs											100	
11	Membership registration dues and fees for services	611	584	160	182	645	353	424	709	76	175	197	44
	Total US \$	17,238	18,334	25,968	14,901	20,061	20,163	10,252	50,237	9,683	8,777	11,089	8,153
	Grand Total US \$	116,271	134,605	160,573	175,474	195,535	215,698	221,950	272,187	281,870	290,647	301,736	313,889

*TEMPUS grant

No	Activity	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
1	Association meetings/member visits	3,505	2,559	1,175	319	1,689	1,299	1,966	8,764	4,975	844	540	2,790
2	Field days/advisory meetings			235		63	725	594	408	136			
3	Trade missions/study tours			2,700			70	900	900	1,000			
4	Seminar attendance/business counseling			14	7,344		672	189					23,400
5	Tenders, Trade Credit or Consignment												
6	Media coverage	730	180	45	390	845	345	240	370			1,794	475
7	Credit obtained			12,940		1,200	11,820		2,365	1,182			
8	Internships	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,375*	7,375*	8,875**
9	Grant obtained						4,000					9,050	6,200
10	Domestic investment by entrepreneurs												
11	Membership registration dues and fees for services	694	717	554	223	212	350	902	34	1,000	1,127	6,683	3,319
	Total US \$	11,929	10,456	24,663	15,276	11,009	26,281	11,791	19,841	15,293	9,346	25,442	45,509
	Grand Total US \$	321,818	332,274	356,937	371,673	382,682	408,963	420,754	440,595	455,888	465,234	490,677	535,736

* = The media and public relations department has a U.S. Peace Corps Volunteer working on newspaper development on a part time basis (25% x \$1,500/month);

** = AAK has a full-time Peace Corps Volunteer working as a Small Enterprise Development officer (100% x \$1,500/month)